



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

**Alaska Commission on  
Postsecondary Education**

EXECUTIVE OFFICE

P.O. Box 110505  
Juneau, Alaska 99811-0505  
Phone: (907) 465-6740  
Fax: (907) 465-3293  
acpe.alaska.gov

**MEMORANDUM**

**TO:** Members, Alaska Commission on Postsecondary Education  
**FROM:** Diane Barrans, Executive Director  
**DATE:** July 14, 2014  
**SUBJECT:** Legislative Recap

Notwithstanding the last minute failure of SJR 23 to get a final vote in the House, the Second Regular Session of the 28<sup>th</sup> Alaska Legislature was generally a positive one for the Commission.

**Agency Budget**—ACPE's FY15 budget was funded in HB 266 at the Governor's requested appropriation level ensuring stable funding for the organization. Other than for Alaska Performance Scholarships and Alaska Education Grants, our budget contained no increments for state funding from any source, including Alaska Student Loan Corporation receipts.

**ACPE Program Legislation**—RE: SB 195 – Sponsored by Senator Anna Fairclough and co-sponsored by Senator Gary Stevens, relating to the Commission, Corporation, loan and grant programs and to postsecondary educational institutions did pass the House with all members present in unanimous support of the bill. Subsequent to my report to you at the March 31<sup>st</sup> meeting, the sole amendment to the bill occurred in House Finance where it was amended to increase the annual loan limit for students attending career education programs to \$10,000. Neither the sponsor nor I had an objection to the amendment as proposed by Finance Committee Co-Chair Stolze. It was accepted by the committee with no objection.

As you will see in your Management Team reports, multiple projects are well underway at this time to implement the various program changes enabled by this legislation to be in place for the 2015-16 academic year. At the time of this writing, the Governor is scheduled to take action on SB 195 at a bill signing in Eagle River (Sen. Fairclough's district) on July 16<sup>th</sup>.

**Other Legislation of Interest**—HB 278, the Governor's Education Opportunity Act, enacts numerous changes to the laws regulating or impacting K-12 schools on an extremely broad array of areas which include: school construction, funding and tax

credits; charter, residential schools and correspondence study; special programs; and, dual credit and high school exit exams.

Relative to ACPE programs, we will be working with Department of Education and Early Development (EED) leadership to understand potential implications of the new high school exit exam (given the elimination of the previous high-stakes exit exam) requirements under which high school students may take any of the SAT, ACT or WorkKeys exams. It will be important to have a proactive messaging strategy for high school leadership, staff, students and parents to ensure they understand how the students' exam selection can impact Alaska Performance Scholarship opportunities.

***Dead Legislation***—Any legislation remaining “in process” when a Legislature ends its two-year term is considered dead and must be reintroduced and go through the entire referral and public hearing and committee deliberative processes in each body. Bills (or variations thereof) we may expect to see again include:

SJR 23—Sponsored by Senator Anna Fairclough and co-sponsored by Senator Gary Stevens, related to an amendment to the state constitution to permit the issuance of state obligation bonds to fund education loans. Senator Fairclough remains committed to the proposition that Alaska can do better in terms of lowering the cost of higher education financing for its residents. I expect, if re-elected this fall by her constituents, she will make another run at pushing this proposal through even knowing the process, which requires a vote of the people in a general election (next opportunity 2016), will take an extended period of time.

HB 365—Sponsored by Representative Paul Seaton, would have amended APS eligibility rules so that award-level eligibility is based upon a student's score on any of the ACT, SAT or WorkKeys exams. Further, it permits graduates eligible by virtue of their WorkKeys exams to use the APS at any participating postsecondary institution.

Under current APS program rules, a single eligibility score is applicable to WorkKeys and the eligibility level results from the graduates GPA. Graduates who are APS-eligible solely due to WorkKeys are deemed Career/Technical Education (CTE) APS-eligible and may only use their award for a CTE certificate program.

As I earlier reported, the concern regarding this change is that WorkKeys tests are not designed for nor do they effectively measure students' readiness for college. It is a tool industry uses to assess readiness for entry-level workforce employment. Making APS awards based on a WorkKeys score may result in diverting students from SAT/ACT testing opportunities and send the message that it is an indicator of college readiness that would not be manifested in academic performance at the postsecondary level.

HB17—Sponsored by Representative Les Gara, HB17, proposed to provide loan cost reductions to borrowers of Alaska Student Loans (last issued in 2001); Federal Family Education Loans (last issued in 2010); and, Alaska Supplemental Education Loans (new and existing loans).

The Governor's legislative staff facilitates a process throughout which the details of potential executive branch proposals remain confidential under Executive Privilege. However, I do want to have general discussion with you about the need for statutory changes related to sharing of Department of Labor and Workforce Development wage data to ANSWERS. I look forward to discussing these legislative items and the planning process for the 2015 session of Alaska's 29<sup>th</sup> Legislature with you. If you have questions or would like to discuss any of this written summary in advance of the July 22<sup>nd</sup> meeting, please feel free to email me at [diane.barrans@alaska.gov](mailto:diane.barrans@alaska.gov) or call my office at 907.465.2113.